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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
09/926,563	11/19/2001	Bjorn Christian Granfeldt	P67255US0	8324
136	7590	07/08/2004	EXAMINER	
JACOBSON HOLMAN PLLC 400 SEVENTH STREET N.W. SUITE 600 WASHINGTON, DC 20004			WINTER, JOHN M	
			ART UNIT	PAPER NUMBER
			3621	

DATE MAILED: 07/08/2004

Please find below and/or attached an Office communication concerning this application or proceeding.

Office Action Summary

Application No.

09/926,563

Applicant(s)

GRANFELDT ET AL.

Examiner

John M Winter

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-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If the period for reply specified above is less than thirty (30) days, a reply within the statutory minimum of thirty (30) days will be considered timely.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

- 1) ☒ Responsive to communication(s) filed on 19 November 2001.
- 2a) ☐ This action is **FINAL**. 2b) ☒ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

- 4) ☒ Claim(s) 1-12 is/are pending in the application.
- 4a) Of the above claim(s) _____ is/are withdrawn from consideration.
- 5) ☐ Claim(s) _____ is/are allowed.
- 6) ☒ Claim(s) 1,2,4,6-9 and 12 is/are rejected.
- 7) ☒ Claim(s) 3,5,10 and 11 is/are objected to.
- 8) ☐ Claim(s) _____ are subject to restriction and/or election requirement.

Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on _____ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

Priority under 35 U.S.C. § 119

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All b) ☐ Some * c) ☐ None of:
1. ☐ Certified copies of the priority documents have been received.
 2. ☐ Certified copies of the priority documents have been received in Application No. _____.
 3. ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

* See the attached detailed Office action for a list of the certified copies not received.

Attachment(s)

- | | |
|--|---|
| 1) <input checked="" type="checkbox"/> Notice of References Cited (PTO-892) | 4) <input type="checkbox"/> Interview Summary (PTO-413)
Paper No(s)/Mail Date. _____ |
| 2) <input type="checkbox"/> Notice of Draftsperson's Patent Drawing Review (PTO-948) | 5) <input type="checkbox"/> Notice of Informal Patent Application (PTO-152) |
| 3) <input checked="" type="checkbox"/> Information Disclosure Statement(s) (PTO-1449 or PTO/SB/08)
Paper No(s)/Mail Date <u>2/14/2002</u> | 6) <input type="checkbox"/> Other: _____ |

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DETAILED ACTION

Claims 1-12 have been examined.

Claim Rejections - 35 USC § 112

The following is a quotation of the second paragraph of 35 U.S.C. 112:

The specification shall conclude with one or more claims particularly pointing out and distinctly claiming the subject matter which the applicant regards as his invention.

Claim 1 is rejected under 35 U.S.C. 112, second paragraph, as being indefinite for failing to particularly point out and distinctly claim the subject matter which applicant regards as the invention. The term "so called 'smart cards'" fails to distinctly define any limitation of the claimed invention.

Claim Rejections - 35 USC § 103

The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

Claims 1,2,4,6-9 and 12 are rejected under 35 U.S.C. 103(a) as being unpatentable over Kawan, (US Patent No 6,442,532) in view of Chaum, et al. (US Patent No 6,434,238).

As per claim 1,

Kawan, ('532) discloses a payment system utilizing so called "smart cards", which include a microprocessor attached to the card with associated memory circuits for storage of program software and 5 transactions, and which via a terminal can be supplied an available and for the card holder useable amount, from which reduction can be made via a pay terminal when the card is used as a means of payment, and that a unique card number for said card, together with a PIN code registered for the card, are transformed by means of the card micro processor into a unique user certificate for each individual card, which is used for verification of the authority of the user, characterized in,

information relating to the maximum number of such transactions that can be preformed without the card communicating and transferring information of executed transactions to the bank holding the account or similar party, such transactions being registered and stored in the memory circuits of the card with a corresponding reduction and storage of remaining available amount and remaining number of allowed executable transactions(Column 8, lines 22-44; also Figures 5 and 6)

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that said card when used in connection with payment terminals not communicating on-line performs storage of transaction data in the memory circuits of the card as well as in the payment terminal;(Column 8, lines 35-44)

that said card, when inserted into a reading terminal having direct connection to the bank holding the account or similar party, performs transfer of stored transaction data in the card for registration/checking recorded transactions with said bank or similar, and that preferably also at the same time limit values for total number of transactions allowed without stating PIN code, as well as maximum total amount limit for such transactions, are updated/restored.(Column 6, lines 58-67; column 7 lines 1-8)

Kawan, ('532) does not explicitly disclose that said card includes stored information relating to a maximum level of amount to which the card can be used without stating PIN code. Chaum et al. ('238) discloses that said card includes stored information relating to a maximum level of amount to which the card can be used without stating PIN code. (Column 52, lines 34-46) It would be obvious to one having ordinary skill in the art at the time the invention was made to combine the Kawan, ('532) method with the Chaum et al. method in order to allow the consumer freedom from needing network access by allowing the consumer to make purchases in non-serviceable areas.

As per claim 2

Kawan, ('532) discloses a payment system according to any one of the preceding claim
Official Notice is taken that "that insertion of a non-valid card in a directly communicating terminal, or a non-directly communicating terminal having memory stored bar list information relating to blocked cards, results in transfer to the terminal of stored transaction information in the non-valid card, as well as available program software on the card, which completely or partly is stored in the terminal, or at a directly communicating terminal, is transferred via the terminal; that as a successively following step said information/program software as substantially as possible is erased from the card; and that said obtained information as soon as possible is transferred to the account holding bank or similar with information relating to the identity of the terminal and the time when the action was performed" is common and well known in prior art in reference to electronic commerce. It would have been obvious to one having ordinary skill in the art at the time the invention was made to archive and erase information from a blocked card in order to allow increase the security of the system by reducing fraudulent transactions.

As per claim 4

Kawan, ('532) discloses a payment system according to any one of the preceding claim that same additionally includes the steps:

to facilitate payment from card to any desired bank account by placing the card in question in a terminal connected to the system with input of PIN code; that amount, clearing number of receiving bank and recipient's account number is inputted, and that the amount stated thereby is transferred to requested account and that available amount on the card is reduced with the corresponding amount.(Column 5, lines 14-23)

As per claim 6,

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Kawan, ('532) discloses a payment system according to any one of the preceding claims.

Kawan, ('532) does not explicitly disclose to facilitate payment via Internet or similar to a seller who has previously stored information relating to the unique identity (certificate) of a certain card holder by the placement of the card in a card reader connected to a computer having associated program software, and that utilized program software in a following step is preferably synchronized with the program software of the seller, with whom the computer is communicating, and that the PIN code of the card thereafter is stated, whereby based on card data and PIN code an encoded and the card holder identifying certificate is transferred to and stored by the seller', whereby the seller to previously stored encoded certificate adds information relating to the present amount to be charged to the buyer, and transfers this information to account holding bank or similar, said account holding bank or similar, after having performed a checkup of the authority of card holder and seller, issues a preliminary certificate (claim) related to the transaction, which via the seller is transferred to the buyer, whereby the card holder from said preliminary certificate receives information of at least the present amount, and to finalize the purchase directly to account holding bank or similar transfers received preliminary certificate verified as an approval of the transaction (a token); where after the account holding bank or similar performs a checkup regarding correspondence between earlier "claim" and received "token", and if correspondence is established on one hand reduces existing amount on the card, and on the other hand transfers a certificate to the seller, who is thereby credited the amount in question. Chaum et al. ('238) discloses to facilitate payment via Internet or similar to a seller who has previously stored information relating to the unique identity (certificate) of a certain card holder by the placement of the card in a card reader connected to a computer having associated program software, and that utilized program software in a following step is preferably synchronized with the program software of the seller, with whom the computer is communicating, and that the PIN code of the card thereafter is stated, whereby based on card data and PIN code an encoded and the card holder identifying certificate is transferred to and stored by the seller', whereby the seller to previously stored encoded certificate adds information relating to the present amount to be charged to the buyer, and transfers this information to account holding bank or similar, said account holding bank or similar, after having performed a checkup of the authority of card holder and seller, issues a preliminary certificate (claim) related to the transaction, which via the seller is transferred to the buyer, whereby the card holder from said preliminary certificate receives information of at least the present amount, and to finalize the purchase directly to account holding bank or similar transfers received preliminary certificate verified as an approval of the transaction (a token); where after the account holding bank or similar performs a checkup regarding correspondence between earlier "claim" and received "token", and if correspondence is established on one hand reduces existing amount on the card, and on the other hand transfers a certificate to the seller, who is thereby credited the amount in question. (Figure 50) It would be obvious to one having ordinary skill in the art at the time the invention was made to combine the Kawan, ('532) method with the Chaum et al. method in order to ensure validity of the consumer.

As per claim 7,

Kawan, ('532) discloses a payment system according to any one of the preceding claims

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Official Notice is taken that "facilitate blocking of a card at any terminal within the payment system by inputting the identifying number of the card and associated PIN code; that the card identifying information is added to a blocking list" is common and well known in prior art in reference to electronic commerce. It would have been obvious to one having ordinary skill in the art at the time the invention was made to block the usage of a card in order to allow increase the security of the system.

As per claim 8,
Kawan, ('532) discloses a payment system according to any one of the preceding claims, to facilitate transfer of data from a terminal not communicating on-line via transfer card having memory capacity for the transaction data stored in the terminal not communicating on-line, said data being transferable to account holding bank or similar by means of a terminal connected to the system.(Column 8, lines 22-44; also Figures 5 and 6)

As per claim 9,
Kawan, ('532) discloses a payment system according to any one of the preceding claims, Official Notice is taken that "a card holder using any terminal connected to the system by insertion of the card and input of associated PIN code is given the possibility to change registered PIN code" is common and well known in prior art in reference to electronic commerce. It would have been obvious to one having ordinary skill in the art at the time the invention was made to allow the user of an ATM system to change their pin code in order to allow increase the security of the system.

As per claim 12,
Kawan, ('532) discloses a payment system according to any one of the preceding claims, characterized in,
that on receipt of data from a terminal included within the system indicating a user with a card related to another payment system, e.g. credit, pay or bank cards with information stored in a magnetic strip, independently or via switching through to the system in question, also give acceptance to such verified and accepted cards as approved means of payment within the system.(Column 8, lines 6-14)

Allowable Subject Matter

Claims 3,5,10 and 11 are objected to as being dependent upon a rejected base claim, but would be allowable if rewritten in independent form including all of the limitations of the base claim and any intervening claims.

Conclusion

Examiners note: Examiner has cited particular columns and line numbers in the references as applied to the claims above for the convenience of the applicant. Although the specified citations are representative of the teachings of the art and are applied to the specific limitations within the individual claim, other passages and figures may apply as well. It is

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respectfully requested from the applicant in preparing responses, to fully consider the references in entirety as potentially teaching all or part of the claimed invention, as well as the context of the passage as taught by the prior art or disclosed by the examiner.

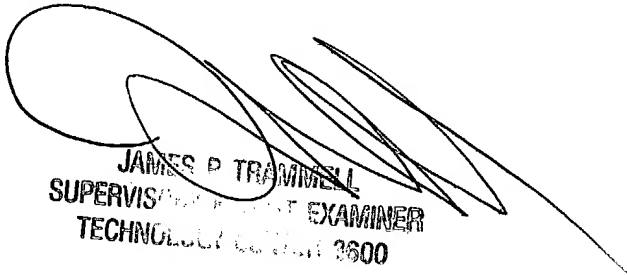
Any inquiry concerning this communication or earlier communications from the examiner should be directed to John M Winter whose telephone number is (703) 305-3971. The examiner can normally be reached on M-F 8:30-6, 1st Fridays off.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, James P Trammell can be reached on (703)305-9768. The fax phone numbers for the organization where this application or proceeding is assigned are (703) 305-7687 for regular communications and (703) 305-7687 for After Final communications.

Any inquiry of a general nature or relating to the status of this application or proceeding should be directed to the receptionist whose telephone number is (703) 308-1113.

JMW

June 27, 2004



JAMES P TRAMMELL
SUPERVISOR
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